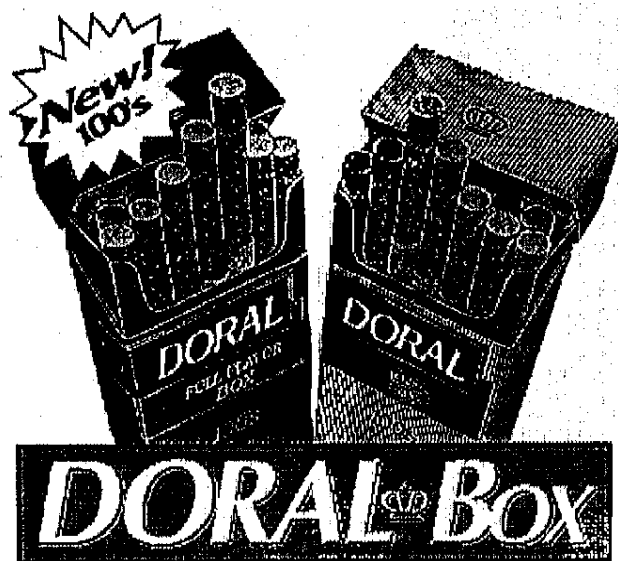


CONFIDENTIAL

Pittsburgh and Buffalo Regions Introduction



DORAL Box 100's Introduction

Second Quarter 1997

(To be Copied for RJRT Full-Time Sales Personnel Only)

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DORAL BOX 100's

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DORAL BOX 100's

Introductory Timetable

| | <u>Week Of</u> |
|--|----------------|
| Fact Book To Field | 1/20/97 |
| Prebooking Begins/Sell to Direct Accounts | 1/20/97 |
| First Order Date - Live | 1/27/97 |
| Supplemental POS/Displays Available to Order | 1/27/97 |
| Carton/Pack Tags Available To Order | 1/27/97 |
| First Ship Date to Direct Accounts - Live | 1/28/97 |
| B1G1F Product First Order Date | 2/10/97 |
| (Promotion to be worked during second quarter) | |
| B1G1F Product First Ship Date to Direct Accounts | 3/3/97 |

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DORAL BOX 100's

Announcing. . . Great DORAL Taste - Now in Box 100's

Introductory Area

Two additional styles of DORAL - Full Flavor Box 100's and Lights Box 100's - will be available in the Pittsburgh and Buffalo Regions in February 1997.

These new styles are being made available in all divisions within Pittsburgh and Buffalo Regions due to Field requests based on opportunity to build business, predicated by Box 100's development and growth.

Product and Packaging

The Box 100's packaging graphics are closely tied to the current soft packs but noticeably different with the addition of a gold box below the DORAL name and large box copy on the pack face, top and bottom. Both Box 100's products will have cork filters (consistent with our DORAL Full Flavor and Light 100's soft pack styles) which will be competitive with GPC Box 100's styles.

Proposition and Marketing Objectives

Introduce and compete for price vulnerable adult smokers with preferences towards Box 100's packaging while enhancing total DORAL family image and position.

DORAL Full Flavor Box 100's and Lights Box 100's will broaden DORAL's business opportunity into the growing Savings Box 100's category. The product is the same as our traditional high quality DORAL blend that Savings smokers prefer, but now in a packaging configuration that is more suited to your customers' preferences.

DORAL BOX 100's

Sales Objectives/Strategies

Distribution and Coverage

- Obtain distribution during normal coverage with emphasis on pack outlets (convenience/gas) and cigarette/tobacco stores.
- Full distribution in these outlets should be achieved by end of second quarter.

Pack Outlets

- Gain trial via display/product positioning and strong price communication with new Box 100's POS.
- DORAL Box 100's should be merchandised with the Brand family on the DORAL PCD.

Carton Outlets

- DORAL Box 100's should be merchandised with the DORAL family on both package and carton fixtures.

DORAL BOX 100's

Promotion/Presence Strategies

Second Quarter B1G1F

- Provides low-purchase requirement offer to incent trial on DORAL Box 100's.
- Provides name generation opportunity and introduction to DORAL & Co. The name generation insert will be placed between the live and gratis pack in each B1G1F offer.

Supplemental Display

- A four-carton shipper with display and promotional POS will be available for all VAP authorized accounts.
- Direct accounts will be responsible for loading four cartons of the B1G1F promotional product into the shippers (20 packs live/20 packs gratis). Retailers will be required to take cartons out of display shipper and load 20 offers into display.
- The B1G1F offers are banded and are not in a promotional sleeve.

Pricing

- The current DORAL Ceiling Strategy will also apply to all DORAL Box 100's styles.

DORAL BOX 100's

B1G1F Promotion Details

| | |
|------------------------------------|--|
| Promotion Details: | Buy 1 Pack Get 1 Free. Offer includes a name generation insert. |
| Display Size/Load: | 20 Offers |
| Offer/Materials Item #: | 526424 502424 DORAL Box/Shipper |
| Includes: | Shipper, Display, Starburst and Offer-Specific Small PPD Card |
| SKU Packing: | 1 |
| Recommended Displays: | Included in SKU |
| Promotion #: | 700447 |
| Allocations Available for Viewing: | 1/22/97 |
| Value-Added Transfer Deadline: | N/A |
| First Order Date: | 2/10/97 |
| First Delivery to Direct Accounts: | 3/3/97 |
| Reporting Dates: | 3/3/97 - 8/1/97 |
| SIS Reporting: | DOR BX 100 B1G1F |
| Promotional UPC: | N/A |
| Product UPCs: | DORAL FF Box - 23991 DORAL Lts Box - 23992 DORAL FF Box 100's - 23993 DORAL Lts Box 100's - 23994 |

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DORAL BOX 100's

POS/Support Materials

Available to order week of 1/27/97

| <u>Description</u> | <u>Item #</u> | <u>SKU Pack</u> | <u>Open Order</u> | <u>Allocated</u> |
|--|-----------------------------------|-----------------|-------------------|------------------|
| • Direct Account Fact Sheet (Attachment A) | Make appropriate copies as needed | | | |
| • Prebooking Form (Attachment B) | Make appropriate copies as needed | | | |
| • Full Flavor Box 100's Carton End Labels | 502100 | 1 Sheet | X | |
| • Light Box 100's Carton End Labels | 502094 | 1 Sheet | X | |
| • Full Flavor/Light Box 100's Pack Tags | 489581 | 1 Sheet | X | |
| • Full Flavor Box 100's Repack | 489611 | 1 Each | X | |
| • Light Box 100's Repack | 489623 | 1 Each | X | |
| • Dump Bin Riser Card | 514334 | 1 Each | | X |
| • 24" Package Merchandiser Card | 514223 | 1 Each | | X |
| • Small Pack Starburst | 514220 | 1 Each | | X |
| • 19" Canopy Card | 514235 | 1 Each | | X |
| • 19" Canopy Transparency | 526625 | 1 Each | | X |
| • Small Paster | 514214 | 1 Each | | X |
| • Small PPD Card | 514232 | 1 Each | | X |
| • DORAL 4-Carton Shipper/Display | 526424 | 1 Each | | X |

(allocations were based on Field requests)

DORAL BOX 100's

Miscellaneous Information

Case Allowance

There will be no case allowance for DORAL Box 100's. Leverage wholesale and retail partners programs.

Shelf Life

DORAL Box 100's will have standard shelf life.

Tar & Nicotine

| | <u>Tar/Nicotine</u> | <u>Filters</u> |
|-----------------------|---------------------|----------------|
| Full Flavor Box 100's | 14 mg/9 mg | Cork |
| Lights Box 100's | 11 mg/8 mg | Cork |

Brand Distribution Tables

Effective 1/28/97, DORAL Box 100's will be in the SIS distribution tables.

Military/Vending/Institutions

The new DORAL Box 100's will not be made available to any military, institutional or direct vendors in the Pittsburgh and Buffalo Regions.

DORAL BOX 100's

Direct Account Fact Sheet (Pittsburgh and Buffalo Regions)

Two DORAL brand line extensions, DORAL Full Flavor Box 100's and DORAL Light Box 100's, will be made available in your market for order on 1/27/97 and first ship date on 1/28/97.

DORAL Box 100's styles provide a cork tip Full Flavor Box 100's and Light Box 100's product that will appeal to adult smokers of Savings Box 100's styles in your market.

Ordering

First order date for product is 1/27/97.

Pricing

DORAL Box 100's styles will be available in 6M cases. List prices and terms will be the same as current styles of DORAL.

| | <u>Carton</u> | <u>(6M) Case</u> | <u>List Price</u> |
|-----------------------------|---------------|------------------|-------------------|
| DORAL Full Flavor Box 100's | \$9.19 | \$275.70 | \$45.95/M |
| DORAL Light Box 100's | \$9.19 | \$275.70 | \$45.95/M |

Product Dimensions and Weights

| | <u>Length</u> | <u>Width</u> | <u>Height</u> | <u>Cube (ft.)</u> | <u>Weight</u> |
|------------------------------|---------------|--------------|---------------|-------------------|---------------|
| Full Flavor Box 100's | | | | | |
| Pack | 2.2188" | .9375" | 3.9688" | 0.004 | 1.067 oz. |
| Carton | 11.125" | 1.875" | 4.0625" | 0.041 | 11.47 oz. |
| 6M Case | 20.625" | 11.6875" | 11.6875" | 1.630 | 22.0 oz. |
| Light Box 100's | | | | | |
| Pack | 2.2188" | .9375" | 3.9688" | 0.004 | 1.067 oz. |
| Carton | 11.125" | 1.875" | 4.0625" | 0.041 | 11.47 oz. |
| 6M Case | 20.625" | 11.6875" | 11.6875" | 1.630 | 22.0 oz. |

UPC Information

| <u>Style</u> | <u>Pack</u> | <u>Carton</u> | <u>6M Case</u> |
|-----------------------|-------------|---------------|----------------|
| Full Flavor Box 100's | 12300 22079 | 12300 22080 | 12300 22081 |
| Light Box 100's | 12300 22082 | 12300 22083 | 12300 22084 |

RJR TOBACCO COMPANY
Retail Order Form
DORAL FF Box 100's and DORAL Lights Box 100's

Date _____ Jobber _____
Account Name _____ Branch Location _____
Street _____
City _____ Account ID# _____
State _____ Zip _____ Delivery Date _____

Please ensure deliver of the following quantity of DORAL Box 100's to my store.

| Number of Cartons | Product Brand Name | Warehouse Item Number |
|-------------------|--------------------|-----------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Special Instructions: _____

Purchase _____ Date _____
RJRT Rep _____

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